

No. 219

RALEIGH. N. C.

NOVEMBER 14, 1956

# NORTH CAROLINA PRICES RECEIVED INDEX DOWN 5 POINTS

The 'All Farm Products' index of prices received by farmers at local markets declined 5 points during mid-October. Lower prices received for tobacco, corn, cotton, beef cattle, calves and poultry were primarily responsible for the decline. However, this decrease was offset to some extend by slightly higher prices received for small grains, cottonseed, hogs, eggs and dairy products. The October index of 284 compares with a index of 295 a year earlier and an index of 289 on September 15, 1956

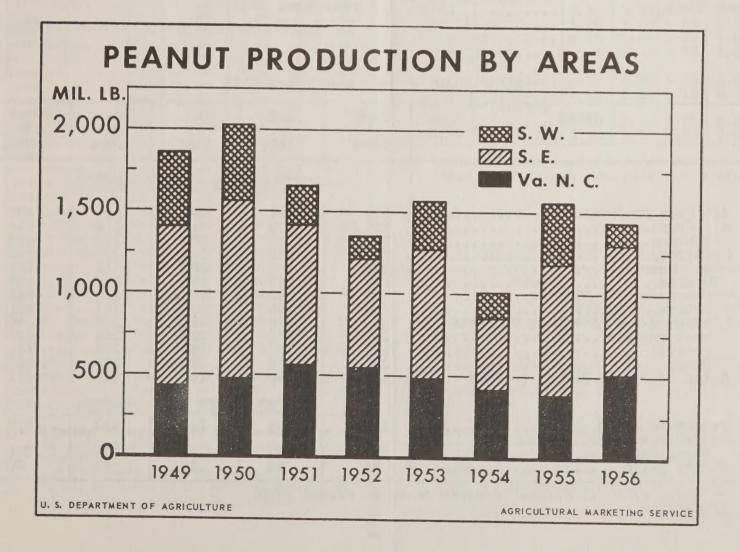
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# U. S. PRICES RECEIVED DOWN 2 POINTS PARITY INDEX

## AND PARITY RATIO UNCHANGED

The Index of Prices Received by Farmers declined one percent (2 points) during the month ended October 15. Lower prices for meat animals, corn, potatoes, poultry, eggs, and cotton more than offset higher prices received for dairy products, some vegetables, cottonseed, and wheat. The October index at 234 percent of its 1910-14 average compared with 236 in September and 229 in October 1955.

Higher wage rates offset lower Continued on Page 2



#### N. C. PRICES (Continued)

A decline in prices received by tarheel farmers for tobacco, corn, soybeans, cotton, potatoes and sweet potatoes was mostly responsible for the decrease in the all crops index.

The livestock and livestock product index at 218 was 2 points below the September index of 216. The increase in this index was due to higher prices received for hogs, eggs and dairy products.

### U. S. PRICES (Continued)

prices for farm production items to hold the Parity Index (Prices Paid for Commodities and Services, Interest, Taxes, and Wage Rates) at 287 on October 15, the same as in mid-September. Prices Paid by farmers for family living items averaged the same as a month earlier. The October Parity Index, the highest of record for the month, was 2.5 percent higher than a year earlier.

The decline in the Index of Prices Received by Farmers was not enough to lower the Parity Ratio during the month. At 82, the Ratio was the same as in August and September 1956, and October 1955.

#### U. S. FARM INCOME

Farmers received about 20.2 billion dollars from farm marketings in the first 9 months of 1956, nearly 2 percent more than in the corresponding period of 1955, reflecting a 4-percent increase in volume of marketings accompanied by 2 percent lower prices received. Receipts from livestock and products were approximately 11.8 billion dollars, slightly above those of last year, as increases in average milk prices and in the volume sold, together with higher egg prices in the first half of 1956, more than offset lower hog prices. Crop receipts of 8.4 billion dollars were 3 percent above January - September 1955. This increase was due mostly to larger receipts from vegetables and fruits, which offset significant declines in receipts from tobacco and soybeans.

Cash receipts from farm marketings in September are tentatively estimated at 3.0 billion dollars, about the same as in September 1955, with practically no change in the over-all level of either prices on volume of marketings. Livestock receipts of 1.4 billion dollars and crop receipts of 1.6 billion were both close to those of a year ago:

(The Demand and Price Situation)

#### N. C. AND U. S. INDEX NUMBERS

INDEX	Sept. 15 1956	0ct. 15 1956	Oct. 15 1955	0ct. 15 1954	0ct. 15 1953
		NORTH CAR	OLINA INDE	X NUMBERS	
All Farm Products	289 // 310 // 389 271 298 157 260 // 269 216 237 197 229 101 //	284 302 382 260 306 147 230 269 218 236 197 235 99	295 313 398 260 297 154 208 365 232 232 230 239 105	297 316 392 297 315 178 238 261 227 259 201 239 106	305 316 401 269 294 173 243 275 264 287 269 239 111
		UNITED S	TATES INDE	X NUMBERS	
Prices Received	236	234	229	242	249
Prices Paid, Int., Taxes & Wages RatesParity Ratio	287 82	287 82	280 82	279	276 90

<sup>\*</sup> Ratio of N. C. Prices received to U. S. Prices paid.

### NORTH CAROLINA FEED PRICES LOWER OR UNCHANGED

Average prices paid by North Carolina farmers for all mixed dairy feeds, with the exception of 16 percent protein, were costing farmers less per hundred weight during mid-October. Mixed dairy feeds of 16 percent protein content were unchanged.

Average prices paid for the high protein feeds were below those paid on September 15.

Of the grain by-products, corn meal was the only by-product which declined during the month.

## PRICES RECEIVED BY FARMERS

		N.	C.	U.S.
COMMODITY	UNIT	SEPT. 15 1956	ОСТ. 15 1956	ОСТ. 15 1956
TOBACCO CORN WHEAT DATS BARLEY SORGHUM GRAINS SOYBEANS PEANUTS COTTON COTTONSEED WOOL HOGS BEEF CATTLE VEAL CALVES SHEEP	LB. BU. BU. BU. CWT. BU. LB. TON LB. CWT. CWT.	.535 1.39 1.92 .74 1.03 1.78 1.95 2.18 .129 .328 41.00 .45 15.90 12.80 17.30 5.00	.527 1.22 1.94 .76 1.06 1.80 2.00 2.15 .132 .315 45.00 .45 16.00 12.60 16.30 5.00	1956  .530 1.19 1.98 .690 .977 1.21 2.07 2.07 .116 .3194 54.10 .423 15.50 15.30 15.70 5.21
AMBS MILK COWS CHICKENS, ALL COM'L. BROILERS TURKEYS EGGS MILK, WHLSE. 1/ BUTTERFAT POTATOES SWEETPOTATOES APPLES, COM'L LESPEDEZA SEED KOREAN KOBE COM. & TENN SERICEA HAY, ALL BALED 4/ ALFALFA HAY LESPEDEZA HAY SOYBEAN AND	CWT. HD. LB. LB. DOZ. CWT. QT. LB. CWT. CWT. CWT. CWT. CWT. CWT. CWT. TON	18.60 100.00 .170 .29 .452 5.40 .210 .48 3.25 5.25 2.00 10.00 8.80 11.30 17.00 14.70 29.50 35.80 31.30	17.80 96.00 .166 .165 .29 .460 5.60 <u>2/</u> .210 .49 3.00 4.25 2.00 10.00 8.80 11.30 17.00 14.70 28.50 35.70 31.30	17.90 155.00 .160 .176 .258 .381 4.49 .212 .593 1.34 3.52 2.59 9.21
COWPEA HAY PEANUT VINE OTHER	TON TON TON	29.00 20.50 28.50	26.70 19.00 26.80	27.20 22.00

<sup>1/</sup> Estimated average prices for the month for all milk sold at wholesale to plants and dealers.

Preliminary.

Sold by farmers direct to consumers.
The all hay price is the weighted average of separate kinds including an allowance for

minor kinds.

Laying mash and scratch grain were 5 cents per hundred lower while broiler growing mash remained on the same level.

The local market feed price ratios were generally more favorable.

## FEED PRICES PAID BY FARMERS

	N.	C.	U. S	5.
FEED PER HUNDREDWEIGHT	Sept. 15 1956	0ct. 15 1956	Sept. 15 1956	oct. 15 1956
HONDREDWEIGHT	1330			1000
Wined Deine Field		DOLL	ARS	11-9-
Mixed Dairy Feed Under 29% Protein				
All	3.80 3.65 3.80 4.05 4.05 4.55	3.80 3.65 3.75 4.00 3.95 4.40	3.72 3.66 3.68 3.89 4.04 4.35	3. 71 3. 66 3. 65 3. 88 3. 99 4. 28
Linseed Meal Soybean Meal Cottonseed Meal. Meat Scrap	4. 20 3. 50 4. 85	4.05 3.35 4.70	4.17 4.04 3.84 4.99	4. 13 3. 87 3. 78 5. 03
Grain By-Products Bran Middlings Corn Meal Corn Gluten Poultry Feed	3. 35 3. 60 4. 15	3.35 3.60 3.90	2.90 3.09 3.76 3.30	2.88 3.03 3.63 3.26
Laying Mash Scratch Grain	4.85 4.25	4.80 4.20	4.55 4.18	4.49 4.13
Broiler Growing Mash Poultry Ration 1/1.	5. 10 3. 94	5.10 3.85	5.05 3.65	4.97 3.53

Average of prices paid for commercial feeds and prices received for grain.

## LOCAL MARKET FEED PRICE RATIOS

POULTRY FEED	N.	C.	U. S.		
PRICE RATIO //			Sept. 1956		
Egg-Feed (Poultry Ration) Farm			10.6	10.8	
Chicken Feed 2/ Broiler-Feed (Broiler Mash) Turkey Feed 2/	4.4 3.3 7.4	4.5 3.2 7.5		3.7 3.5 7.3	

I/ Pounds of feed equal in value to one dozen eggs, one pound farm chickens, one pound broilers and one pound turkeys.

21 Poultry ration.

## NORTH CAROLINA GRAIN STOCKS ABOVE LAST YEAR

Total stocks of old corn in all positions in North Carolina on October 1, 1956, amounted to 4,469,000 bushels of which 4,325,000 bushels were on farms and the remaining 144,000 bushels were in off-farm storage. This year's total October 1 stocks of corn were 75 percent above the 2,548,000 bushels in all positions on October 1, 1955. Wheat stocks at 7.698.000 bushels in all positions in the State were about 37 percent higher than a year ago, while oats at 12,998,000 bushels were nearly 36 percent above total oat stocks held a year ago. Total barley stocks at 1,583,000 bushels and rye at 249,000 bushels were 62 and 8 percent. respectively, higher than a year earlier.

#### UNITED STATES

Stocks of 1,775 million bushels of wheat stored in all positions in the Nation on October 1 were the second largest of record for the date in the comparable series beginning in 1935. The total is slightly smaller than the record stocks of a year earlier but is more than a third larger than average. The stocks total is

nearly double the 1956 production, reflecting the record large carryover of old wheat on July 1. Off-farm wheat stocks of 1.373 million bushels, 1 percent larger than a year earlier, were a record total for the date with holdings at record levels in terminal and interior mill, elevator, and warehouse positions. In contrast, farm stocks of 403 million bushels on October 1 were 6 percent below a year ago and the smallest for that date since Rye stocks of 28.1 million 1940. bushels stored in all positions on October 1 were 29 percent below stocks a year ago but 23 percent above the 10-year 1946-55 average. Farm stocks of rye at 12.5 million bushels were 39 percent below last year and accounted for about 45 percent of total stocks. Carryover of old corn in all storage positions on October 1 is estimated at 1,166 million bushels exceeding the previous record of a year ago by 13, percent. Of the total stocks, 865 million bushels were in off-farm positions compared with 721 million bushels a year ago. October 1 stocks of oats in all positions are estimated at 1,057 million bushels, down 21 percent from a year ago and

Continued on Page 5

N. C. AND U. S. GRAIN STOCKS, OCTOBER 1, 1956, WITH COMPARISONS

	Off-F	Off-Farm Stocks // On-Farm Stocks Total Stocks			ks				
CHOP .	0ct. 1 1955	July 1 1956	oct. 1 1956	Oct. 1 1955	July 1 1956	Oct. 1 1956	Oct. 1 1955	July 1 1956	Oct. 1 1956
N. C.				THOUSAND BUSHELS					
Wheat Rye Corn Oats Barley Sorghum	2,474 19 93 773 118	306 2 1,499 581 47 90	3,184 18 144 1,526 208 2	3,155 211 2,455 8,804 859 55	274 19 13,973 911 83 573	4,514 231 4,325 11,472 1,375 75	5,629 230 2,548 9,577 977 56	580 21 15,472 1,492 130 663	7,698 249 4,469 12,998 1,583 77
U. S.				MILL	ION BUSH	HELS			
Wheat Rye Corn Oats Barley Sorghum	1355. 1 18. 9 721. 1 138. 6 145. 7 68. 7	962.7 14.0 752.5 74.9 75.3 103.7	1372.6 15.6 865.4 127.8 163.2 74.6	427.8 20.4 313.7 1190.9 260.1 6.4	67.7 2.3 993.4 271.7 39.5 14.0	402.8 12.5 300.5 928.9 226.7 5.5	1782.9 39.3 1034.8 1329.5 405.8 75.1	1030.4 16.3 1745.9 346.6 114.8 117.7	28.1 1165.9 1056.7 389.9 80.1

Includes stocks at Interior Mills, Elevators, and Warehouses, commercial stocks reported by Grain Division, AMS, at terminals, and those owned by Commodity Credit Corporation which are in transit, in bins and other storages under CCC control.

Old crops of small grains on July I; old crops of corn and sorghum October I. 4,

4

## N. C. GRAIN (Continued)

the smallest stocks in 3 years. Nearly 88 percent of the October 1 stocks was on farms. Stocks of barley on October 1, estimated at 390 million bushels, are the second largest ever held on that date, being exceeded only by last year's record of 406 million bushels. Stocks are smaller than last year in all positions except those in terminal storage which are four-fifths larger. Of the current holdings, 227 million bushels were on farms. The carryover of old sorghum grain in all positions on October 1 is estimated at 80.1 million bushels - exceeding the previous record of a year ago by 5.1 million bushels. About 74.6 million bushels of the total stocks were in off-farm storage positions.

# COMMODITY OUTLOOK

The 1957 commercial apple crop probably will be moderately larger than the below-average 1956 crop if the weather is favorable. Increases can be expected in all principal areas though production may be smaller in some States where growing conditions in 1956 were unusually good. Production in Washington in the next few years may be reduced because of freeze damage to trees last winter.

Production of apples is moderately lower than in prewar years, but in recent years has fluctuated around the 100 million-bushel level. Production probably will tend to remain at this level for the next few years. Over the longer run, production may increase somewhat. This would be partly in response to stronger demand for apple products such as canned apples and applesauce. During the past two decades, utilization of apples for processing has doubled while fresh use has declined. Demand for apples in 1956-57 is expected to continue strong.

Total production of peaches in the United States in 1957 probably will be a little under that of 1956 if average weather prevails. The California crop is not likely to be as large as the record 1956 crop. But production may be up somewhat in States where the 1956 crops were cut by cold weather, especially in the Pacific Northwest and some of the southern States. Otherwise, the pattern of production proba-

bly will not be greatly different from that of 1956.

Production of peaches has declined during the past decade though it has tended to stabilize at a little over the 60-million bushel mark since 1950. Output probably will tend to hold at this level for the next few years. Over the longer run, production of peaches can be expected to trend upward. Much of the increase probably would be in California, where production has increased moderately during the past de-Among deciduous fruits, peaches are second only to apples in fresh use and lead all others in use as canned The rates of consumption per capita of fresh and canned peaches of recent years probably will be at least maintained. For 1957, supplies of fresh and processed peaches probably will be sufficient to maintain consumption close to the rates of 1956.

Prospective acreage of strawberries in commercial producing areas for harvest in 1957 is 122,600 acres, 4 percent larger than the acreage harvested in 1956 and 7 percent above the 1949-55 average acreage. Much of the increase for 1957 is in Washington and Oregon, where freezes in the fall and winter of 1955-56 cut the 1956 acreage. The indicated acreage for harvest in Florida next winter is down 11 percent from 1956. The 1957 early-spring acreage is up 3 percent, with most of the increase in Louisiana, the leading State in this group. Prospective 1957 acreage in the mid-spring States is almost as large as that harvested in 1956. substantial decrease in California is almost offset by increases in other States. In the late-spring States, the indicated acreage for 1957 is up 12 percent from 1956, with most of the increase in Washington and Oregon. Combined 1957 acreage in the three Pacific Coast States, where most of the frozen strawberries are packed, is up 7 percent from 1956. The prospective 1957 acreage for some States is tentative, and the actual acreage harvested in 1957 will also depend upon weather conditions.

Outlook continues to indicate hog prices will move down more slowly this fall than last. Mid-October prices were above a year ago.

# NORTH CAROLINA COMMERCIAL SLAUGHTER DOWN 1.8 PERCENT

Commercial slaughter of livestock in North Carolina during September amounted to 25.153.000 pounds liveweight. This was 1.8 percent below the 25,603,000 pounds slaughtered during the same period last year. Hogs were the only species which showed an increase in the number slaughtered. For the State as a whole, the number slaughtered for all species was 79.6 thousand head and compared with 81.4 thousand head for September 1955. Total liveweight of all species slaughtered from January through September amounted to 217,914,000 pounds compared with 211,948,000 pounds during the same period last year.

#### UNITED STATES

September production of red meat by commercial slaughter plants totaled 2,069 million pounds. This was 3 percent less than the 2,135 million pounds a month earlier and 7 percent less than the 2,227 million pounds produced during the same month a year earlier.

Beef production in September totaled 1,105 million pounds. This was 8 percent less than the August output of 1,202 million or the September 1955 production of 1,206 million pounds. The number of cattle slaughtered in September totaled 2,201,400 head. This was about 7 percent less than the 2,373,700 head slaughtered in August and also 7 percent less than the 2,366,500 slaughtered in September 1955.

Veal production during September totaled 140 million pounds, 7 percent less than a month earlier and 5 percent less than a year earlier. Calf slaughter at 1,088,400 head for the month was 2 percent below the 1,110,500 head in August and 6 percent below the 1,162,100 head slaughtered in September 1955.

The September hog kill at 5,969,300 head was up 8 percent from the August kill of 5,525,000 head but down 3 percent from the 6,158,000 head slaughtered in September last year. Pork production for the month totaled 767 million pounds, 6 percent more than the previous month but 5 percent less than the same month a Continued on Page 7

NORTH CAROLINA AND U. S. LIVESTOCK SLAUGHTER\*

		SE	PTEMBER		JANUARY THRU SEPTEMBER				
Species		mber ghtered		otal weight	Number Tota Slaughtered Livewe				
	1955	1956	1955	1956	1955	1956	1955	1956	
N. C.	Thous	. Head	Thous	. Lbs.	Thous. Head		Thous. Lbs.		
Cattle	16.0	13.8	12,351	11,254	120.9	111.4	92,618	87,997	
Calves	6.3	4.7	1,230	883	48.8	42.6	8,964	8,012	
Sheep &									
Lambs	.1	.1	9	11	1.0	1.0	84	83	
Hogs	59.0	61.0	12,013	13,005	510:0	552.0	110,282	121,822	
TOTAL	81.4	79.6	25,603	25, 153	680.7	707.0	211, 948	217,914	
	Millio	n Head	Millio	n Lbs.	Millio	n Head	Millio	n Lbs.	
U. S.									
Cattle	2.4	2.2	2,214	2,042	19.1	19.7	17,880	18, 861	
Calves	1.2	1.1	265	254	9.1	9.0	1,989	2,012	
Sheep &									
Lambs	1.5	1.3	139	121	12.2	12.0	1,170	1,139	
Hogs	6.2	6.0	1,401	1,339	50.2	56.6	12,041	13, 184	
TOTAL	11.3	10.6	4,019	3,756	90.6	97.3	33, 080	35, 196	

<sup>\*</sup> Includes slaughter under Federal inspection and other wholesale and retail slaughter. Excludes farm slaughter.

### SLAUGHTER (Contunied)

year earlier. Slaughter hogs averaged 224 pounds liveweight, compared with 230 pounds in August and 227 pounds in September last year.

September sheep and lamb slaughter totaled 1,317,600 head. This was 8 percent fewer than the August slaughter of 1,427,000 head and 13 percent fewer than the 1,517,900 head slaughtered during September a year earlier.

Mutton and lamb production totaled 57 million pounds during the month, 8 percent less than the August output and 14 percent below September last year.

Poultry slaughter during September totaled 497 million pounds, ready-to-cook basis. This was 13 percent above August, 21 percent above September last year and 37 percent above the 10-year average for the month.

# INCREASE EXPECTED IN NUMBER U. S. TURKEY BREEDER HENS

U. S. Turkey breeder hen owners in 15 of the most important States, with over 79 percent of the breeder hens in the United States on January 1, 1956, expect to hold at the beginning of the 1957 hatching season 16 percent more heavy breed turkey hens than at the beginning of the 1956 season. Compared with the 1956 season, they plan to have 20 percent more heavy white breeder hens and 15 percent more bronze and other heavy hens. They expect to decrease their holdings of light type hens by 3 percent.

Growers indicated increases in heavy white breed hens in 10 States ranging from 3 percent in Missouri to 50 percent in Texas, Michigan, Washington and New York expect a decrease in holdings of 25, 23 and 3 percent, respectively. Increases in holdings of bronze and other heavy breed hens are expected in 12 of the States reporting, ranging from 7 percent in Pennsylvania to 50 percent in Iowa. Michigan expects to hold about the same number as in the 1956 season while South Carolina and Washington expect to decrease 10 and 7 percent, respectively.

States show considerable variations in their intentions to hold light breed turkey hens. Sharp decreases in number of light breed hens in Virginia, Missouri and Minnesota were partially offset by increases in Texas, Califor-

nia and Oregon. At the beginning of this year, these six States had threefourths of the light breed hens in the 15 States.

## U. S. FARM EMPLOYMENT UP LESS THAN SEASONALLY

About 10.4 million persons were working on farms in late September, according to the Agricultural Marketing Service. This was more than a million over the number employed a month earlier, but the increase was slightly less than usual for the time of year. When allowance is made for seasonal factors, total farm employment dropped 3 percent from late August to September to 57 percent of the 1910-14 average. Compared with September 1955, the number of family workers was down about 5 percent and the number of hired workers was up about 2 percent. Farm wage rates, meanwhile, have shown steady increases. As of October 1, the seasonally adjusted index of farm wages stood at 550 percent of the 1910-14 up 6 percent from a year average. earlier.

#### COMMODITY HIGHLIGHTS

Marketings of short fed cattle will probably be stepped up in the next few months, and prices of Choice and Prime steers will likely ease seasonally.

Prices to farmers for milk and butterfat are increasing less than the usual seasonal amount again this fall, but are slightly above a year earlier.

Current prices of eggs, broilers, and turkeys reflect the fact that production of each is at record levels for the season. Government purchase programs have been undertaken for eggs and turkeys.

Aggregate production of fresh vegetables for fall harvest is expected to be nearly a sixth larger than last year, and grower prices may average moderately lower.

With supplies of potatoes heavy, prices are likely to remain relatively low for the next few months. A diversion program similar to the one initiated last fall has been announced by the Department of Agriculture.

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### FARM REPORT

Compiled by authority of UNITED STATES DEPARTMENT OF AGRICULTURE Agricultural Marketing Service Agricultural Estimates Division S. R. Newell, Director

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# COMPARISON OF PRICES RECEIVED BY U. S. FARMERS

COMMODITY	PRICES RECEIVED BY FARMERS		COMPA	PARITY OR COMPARABLE PRICES 1/		AVERAGE PRICES AS PERCENTAGE OF PARITY	
	Sept. 15 1956	Oct. 15 1956	Sept. 15 1956	0et. 15 1956	Sept. 15 1956	Oct. 15 1956	
Cotton, Lb	.3250 1.95 1.43 .681 .959 1.20 16.20 15.50 18.60 .172 .386 4.30	.3194 1.98 1.19 .690 .977 1.21 15.30 15.50 17.90 .160 .381 4.49.3/	.3556 2.44 1.78 .864 1.35 1.70 21.70 21.40 23.80 .287 .465 4.71	.3556 2.43 1.77 .864 1.35 1.70 21.70 21.40 23.80 .287 .465 4.71	91 80 80 79 71 71 75 72 78 60 75 4/ 89 4/	90 81 67 80 72 71 71 72 75 56 72 4/ 90 4/	

Effective parity prices as computed currently in months indicated using base period prices and indexes then in effect.

Estimated average price for the month for all milk sold at wholesale to plants and dealers.

Preliminary. 3/

Percentage of seasonally adjusted prices to parity prices.